



First Union Rail Corporation
NC5811
Commercial Leasing Group
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018
Tel 847 318-7575
847 318-7588

VIA UPS 2nd DAY AIR

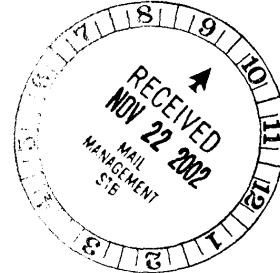
November 21, 2002

RECORDATION NO. 24003-12 FILED

NOV 25 '02

10-28 AM

SURFACE TRANSPORTATION BOARD



Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) is one (1) original and three (3) copies of a Memorandum of Lease Agreement, dated October 15, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 24003.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Genesee Rail One
6650 rue Dufferin
Outremont, Quebec H2V 3Z3

A description of the railroad equipment covered by the enclosed document is eight-five (85) 10' plug door, Plate F box cars, with NOKL marks 60050 to 600134 inclusive.

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Amy Carone
Manager of Documentation

Enclosures

(GERO010)

RECORDATION NO. 24003-D FILED

ASSIGN. NO. GERO010

NOV 25

10-28 AM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 5th day of October 2002, by and between the Montreal Branch of FIRST UNION RAIL CORPORATION ("Lessor"), a North Carolina corporation, and GENESEE RAIL-ONE, a Canadian corporation ("Lessee").

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of March 6, 1998, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 10 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of July 1, 2002 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

ATTEST:

FIRST UNION RAIL CORPORATION

BY: Amy Carone

BY: Susan A. Barrie

NAME: AMY CARONE

NAME: SUSAN A. BARRIE

TITLE: Manager of Documentation

TITLE: REG'L VICE PRESIDENT - SALES

Executed on this 15th day of October, 2002.

[CORPORATE SEAL]

PROVINCE OF Quebec

DISTRICT OF Montreal

I, Danielle Lord, a Commissioner of Oaths of the Province and District aforesaid, certify that Susan Barrie personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 15th day of October, 2002.

Danielle Lord
Commissioner of Oaths

My Commission Expires:

28 May 2004

Page 1 of 3



ATTEST:

BY: Natalie Luciano
NAME: Natalie Luciano
TITLE: Car Accountant

LESSEE:

GENESEE RAIL-ONE

BY: Carl P. Belke
NAME: CARL P. BELKE
TITLE: GM-FLEET

Executed on this 23rd day of August, 2002.

[CORPORATE SEAL]

STATE OF New York
COUNTY OF Livingston

I, Linda L. Washington, a Notary Public of the County and State aforesaid, certify that Carl P. Belke personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 23rd day of August, 2002.

Linda L. Washington
Notary Public
LINDA L. WASHINGTON
NOTARY PUBLIC, STATE OF NEW YORK
QUALIFIED IN LIVINGSTON COUNTY
REG. NO. 01WA4635476
MY COMMISSION EXPIRES AUGUST 31, 20 02

My Commission Expires:

August 31, 2002

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Eighty-five (85).

DESCRIPTION OF CARS: 10' Plug Door, 60'9" Long, 286,000 GRL, 103-ton Plat F Box Cars.

CAR NUMBERS: NOKL 600050 to 600134 inclusive.